Oil and Gas Residential Setbacks

Overview of Other State Regulations

August 28, 2013

California

- Cities and counties can enact and enforce laws for the conduct and location of oil production activities, including:
 - zoning,
 - fire prevention,
 - public safety, nuisance, appearance, noise, hours of operation,
 - abandonment, and inspection.
- No state setback rule, viewed as local land-use issue

Colorado

- August 2013 new regulations require (variance allowed):
 - 500' setback from residence
 - 1000' from high occupancy building
 - 1000' mitigation zone
- By statute local governments may regulate land use and O&G development if not in operational conflict with State
- Several Cities and Counties have recently enacted a moratorium or ban on drilling.

Louisiana

 State law requires notice and right of appeal to residences within 500' of a well deeper than 10,000'.

Michigan

State setbacks (variance allowed) – 300'

Montana

- No setbacks in state rules
- By law, local governments can not make resolutions or rules that prevent the complete use, development, or recovery of any mineral, forest or agricultural resource.
- Local governments can impose reasonable conditions through land use and zoning.

New Mexico

- No drilling setbacks in state rules
- 1000' setback for permanent pits
- State law allows for municipalities and counties to pass ordinances "not inconsistent with the laws of New Mexico".
 - Eddy County, 300' setback
 - Rio Arriba County 650' setback
 - Santa Fe County 750' setback
 - Valencia County 500' from residential and 1000' from schools and health care facilities.
- Mora County prohibits oil and gas development (passed April, 2013)

North Dakota

 State law requires a 500 feet setback from residence (variance allowed).

Oklahoma

- Both State and incorporated cities are allowed to regulate O&G activity, but state law would prevail over conflicting laws in matters of statewide public interest.
 - § 52(3)(137) Nothing in this act is intended to limit or restrict the rights of cities and towns governmental corporate powers to prevent oil or gas drilling therein nor under its police powers to provide its own rules and regulations with reference to well-spacing units or drilling or production which they may have at this time under the general laws of the State of Oklahoma.
 - § 52(B)(1) Except as otherwise provided by this subsection, the Corporation Commission is hereby vested with exclusive jurisdiction, power and authority, and it shall be its duty to promulgate and enforce rules, and issue and enforce orders governing and regulating: a. the conservation of oil and gas,...c. the exploration, drilling, development, producing or processing for oil and gas on the lease site.

Pennsylvania

- The law provides for limited authority for municipal ordinances and zoning standards related to oil and gas development (approved Feb. 2012).
- Residential setback 500'
- Municipalities comments to be considered by Division
- Rebuttable presumption of damage from 1000' to 2500' of water supply within 12 months of drilling

Texas

- No state-wide setbacks
- Setbacks are established at the community level.
- Flower Mound 1,500 feet
- Coppell Dish, Denton, Colleyville, Southlake, and Weatherford 1,000 feet

Wyoming

- State rules 350' setback (Director allowed to approve exceptions)
- Cities and towns allowed to zone oil and gas operations.
- Counties are prohibited from preventing use or occupancy of lands necessary for mineral extraction.

Utah Counties Specific Oil and Gas Requirements

- <u>Carbon County</u> 660' setback from residents -Conditional use permit
- <u>Davis County</u> County permit required
- <u>Duchesne County</u> Minimum setback 300 feet "In the event of conflict between this section and the rules of the Utah division of oil, gas and mining, the rules of the Utah division of oil, gas and mining will control".
- Emery County Conditional use permit
- Grand County Non-public lands conditional use permit, 125' setback
- Millard County Conditional use permit
- Sanpete County Conditional use permit
- <u>Sevier County</u> Conditional use permit, not allowed in zones RA5 and RA (residence with .5 to 5 acre agricultural)
- Summit County Permitted in agricultural protection districts and industrial zone.
- <u>Uintah County</u> 1000' setback from residence
- Wasatch County Not permitted in residential, commercial, mountain, highway services, office and business park zones, and industrial zones.

Summary

- State statutes dictate the power to which cities, towns, and counties can regulate development.
- Generally cities, towns and counties are allowed limited authority or zoning power and can impose reasonable conditions so long as local regulations are not operationally preempted by the Utah Oil and Gas Conservation Act.
- Several states, counties, and cities have revised statutes and zoning in last 3 years.
- Variances, waivers, and/or exceptions allowed for setbacks in many states.